

D.P.U. 93-91E

Application of Fitchburg Gas and Electric Light Company, pursuant to G.L. c. 164 App., §§ 2-1 through 2-10 and 220 C.M.R. §§ 7.00 et seq., for approval by the Department of Public Utilities of the Company's proposed surcharge for the Residential Energy Conservation Service Program for fiscal year 1994 (July 1, 1993 - June 30, 1994). Fitchburg Gas and Electric Light Company is a member utility of Mass-Save, Inc., which provides services on its behalf.

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260 Franklin Street
Boston, Massachusetts 02110
FOR: FITCHBURG GAS AND ELECTRIC LIGHT
COMPANY
Petitioner

I. INTRODUCTION

On May 13, 1993, pursuant to G.L. c. 164 App., §§ 2-1 through 2-10 and 220 C.M.R. §§ 7.00et seq., Fitchburg Gas and Electric Light Company ("Fitchburg" or "Company") filed with the Department of Public Utilities ("Department") a petition for approval by the Department of the Company's proposed surcharge of \$0.26 per bill per month for the residential energy conservation services ("ECS") program for the fiscal year July 1, 1993 through June 30, 1994 ("FY 1994"). On June 7, 1993, the Company updated its filing and reduced the proposed ECS surcharge to \$0.25 per bill per month. Fitchburg is a member utility of Mass-Save, Inc. ("MSI"), which provides ECS to the Company's customers on behalf of Fitchburg. The petition was docketed as D.P.U. 93-91E.

Pursuant to notice duly issued, a hearing was held at the offices of the Department on June 8, 1993. No petitions for leave to intervene were filed. In support of its petition, the Company sponsored the testimony of one witness: Lori King, rate analyst at UNITIL Service Corporation¹. The Company submitted two exhibits which were admitted into evidence.

II. ECS SURCHARGE

For FY 1994, the Company proposed an ECS surcharge of \$0.25 per bill per month (Exh. FGE-2, at 1; Tr. at 8). The proposed ECS surcharge is \$0.16 per bill more than the ECS surcharge of

¹ UNITIL Service Corporation provides management services to Fitchburg, including the development and filing of the Company's annual ECS surcharge proposal.

\$0.41 per bill per month approved by the Department in Fitchburg Gas and Electric Light Company D.P.U. 92-114-C (1992) for the fiscal year July 1, 1992 through June 30, 1993 (Tr. at 8).

The Company's witness, Ms. King, testified that the Company's share of MSI's proposed FY 1994 ECS program budget, approved by the Department in Mass-Save, Inc., D.P.U. 93-91 (1993), is \$107,644 (Exh. FGE-2, at 1). In addition to the projected ECS program expenditures, the Company has reconciled undercollections and overcollections from prior fiscal years. The net effect of these reconciling items is an overcollection of approximately \$25,000 id.). The result is a net amount projected to be collected in FY 1994 of \$82,814 id.). The proposed ECS surcharge of \$0.25 per bill is calculated by dividing the total number of bills expected to be rendered during FY 1994 by the net amount to be collected id.).

Pursuant to Department precedent, if the Company is overcollecting by ten percent or more at the end of the third quarter of FY 1994, it is required to file for adjustment or elimination of its surcharge. See Fitchburg Gas and Electric Light Company, D.P.U. 92-114-C at 5 (1992).

III. FINDINGS

Based on the foregoing, the Department finds:

1. that the ECS surcharge to be applied to Company bills during the fiscal year July 1, 1993 through June 30, 1994 shall be \$0.25 per bill per month; and
2. that the Company shall be required to file for an

adjustment to its ECS surcharge in the event that it is overcollecting by more than ten percent at the end of the third quarter of FY 1994.

IV. ORDER

Accordingly, after due notice, hearing, and consideration, it is

ORDERED: That the ECS surcharge to be applied to Company bills during the fiscal year July 1, 1993 through June 30, 1994 shall be \$0.25 per bill per month; and it is

FURTHER ORDERED That the Company shall be required to file for an adjustment to its ECS surcharge in the event that it is overcollecting by more than ten percent at the end of the third quarter of FY 1994.

By Order of the Department,